

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

PURDUE PHARMA L.P., *et al.*¹

Debtors.

Chapter 11

Case No. 19-23649 (RDD)

(Jointly Administered)

**ALIXPARTNERS, LLP'S FOURTH INTERIM FEE APPLICATION FOR
THE PERIOD OCTOBER 1, 2020 THROUGH JANUARY 31, 2021
FOR ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND FOR REIMBURSEMENT OF EXPENSES
INCURRED AS FINANCIAL ADVISOR TO THE CHAPTER 11 DEBTORS**

Name of Applicant:	ALIXPARTNERS, LLP	
Applicant's Role in Case:	Financial Advisor to the Chapter 11 Debtors	
Date of Retention:	November 21, 2019 [Docket No. 528], <i>Nunc Pro Tunc</i> to September 15, 2019	
Time period covered by this Fourth Interim Application:	Beginning of Period	End of Period
	October 1, 2020	January 31, 2021
Summary of Total Fees and Expenses Requested:		
Total fees requested in this Fourth Interim Application:	\$3,220,665.00	
Total expenses requested in this Fourth Interim Application:	\$200.42	

¹ The Debtors in these cases, along with the last four digits of each Debtor's registration number in the applicable jurisdiction, are as follows: Purdue Pharma L.P. (7484), Purdue Pharma Inc. (7486), Purdue Transdermal Technologies L.P. (1868), Purdue Pharma Manufacturing L.P. (3821), Purdue Pharmaceuticals L.P. (0034), Imbrium Therapeutics L.P. (8810), Adlon Therapeutics L.P. (6745), Greenfield BioVentures L.P. (6150), Seven Seas Hill Corp. (4591), Ophir Green Corp. (4594), Purdue Pharma of Puerto Rico (3925), Avrio Health L.P. (4140), Purdue Pharmaceutical Products L.P. (3902), Purdue Neuroscience Company (4712), Nayatt Cove Lifescience Inc. (7805), Button Land L.P. (7502), Rhodes Associates L.P. (N/A), Paul Land Inc. (7425), Quidnick Land L.P. (7584), Rhodes Pharmaceuticals L.P. (6166), Rhodes Technologies (7143), UDF LP (0495), SVC Pharma LP (5717) and SVC Pharma Inc. (4014). The Debtors' corporate headquarters is located at One Stamford Forum, 201 Tresser Boulevard, Stamford, CT 06901.

Total fees and expenses requested in this Fourth Interim Application:	\$3,220,865.42
Blended hourly rate for fees incurred during the <u>Interim</u> Compensation Period:	\$735.50
Summary of Prior Payments:	
Total allowed compensation paid to date:	\$1,908,348.80
Total allowed expenses paid to date:	\$200.42
Total amount due and owing AlixPartners:	\$1,312,316.20
This is a(n): ___ Monthly Application __X__ Interim Application ___ Final Application	

ALIXPARTNERS, LLP

**SUMMARY OF FEE STATEMENTS
DURING THE FOURTH INTERIM PERIOD
OCTOBER 1, 2020 THROUGH JANUARY 31, 2021**

Date Filed; Docket No.	Period Covered	Requested		Paid		Amount Outstanding
		Fees	Expenses	Fees	Expenses	
12/04/2020 Docket #2064	10/01/2020- 10/31/2020	\$843,553.00	\$4.89	\$674,842.40	\$4.89	\$168,710.60
01/19/2021 Docket #2296	11/01/2020- 11/30/2020	\$667,910.50	\$3.32	\$534,328.40	\$3.32	\$133,582.10
02/03/2021 Docket #2375	12/01/2020- 12/31/2020	\$873,972.50	\$192.21	\$699,178.00	\$192.21	\$174,794.50
03/12/2021 Docket #2467	01/01/2021 - 01/31/2021	\$835,229.00	\$0.00			\$835,229.00
Total		\$3,220,665.00	\$200.42	\$1,908,348.80	\$200.42	\$1,312,316.20

ALIXPARTNERS, LLP

**SUMMARY OF HOURS AND FEES BY PROFESSIONAL
DURING THE FOURTH INTERIM PERIOD
OCTOBER 1, 2020 THROUGH JANUARY 31, 2021**

Professional	Title	Rate ¹	Total Hours During Period	Total Fees During Period
Lisa Donahue	Managing Director	\$1,195/\$1,295	88.7	\$ 109,496.50
Richard Collura	Managing Director	\$1,090/\$1,125	86.5	95,247.50
Kevin M McCafferty	Director	\$950/\$980	540.4	513,890.00
Jesse DelConte	Director/ Managing Director	\$950/\$1,055	720.1	705,305.00
Mark F Rule	Director	\$910	2.4	2,184.00
HS Bhattal	Director	\$840/\$865	310.2	264,253.00
Gabe J Koch	Director	\$840/\$865	378.9	321,063.50
Elizabeth S Kardos	Director	\$710	5.8	4,118.00
Sam J Canniff	Senior Vice President	\$645/\$665	68.7	44,473.50
Kristina Galbraith	Senior Vice President	\$645	5.5	3,547.50
Kaitlyn A Sundt	Senior Vice President	\$510	6.3	3,213.00
Laurie C Verry	Senior Vice President	\$510	3.5	1,785.00
Lan T Nguyen	Vice President	\$515/\$530	542.7	281,410.50
Andrew D DePalma	Vice President	\$515/\$625	626.5	337,277.50
Sam K Lemack	Vice President/ Senior Vice President	\$515/\$665	617.6	342,754.00
Nate A Simon	Vice President	\$515/\$625	290.0	154,608.00
Tammy Brewer	Vice President	\$450/\$465	14.8	6,685.50
Melanie McCabe	Vice President	\$415/\$430	65.8	27,613.00
Edward DuHalde	Vice President	\$360	2.5	900.00
Roy Ellis Ochoa	Consultant	\$420	2.0	840.00
Subtotal Fees and Hours			4,378.9	\$ 3,220,665.00
Less 50% Travel Fees				
Total Fees and Hours for Professionals				\$ 3,220,665.00

¹ As set forth in our Engagement Letter dated March 1, 2019, our standard hourly rates are reviewed annually and certain professionals' rates were adjusted as of January 1, 2021 to reflect promotions and general market increases.

Average Billing Rate \$735.50

ALIXPARTNERS, LLP

**SUMMARY OF HOURS AND FEES BY MATTER CATEGORY
DURING THE FOURTH INTERIM PERIOD
OCTOBER 1, 2020 THROUGH JANUARY 31, 2021**

Matter Code		Total Hours During Period	Total Fees During Period
101	Chapter 11 Process/Case Management	593.4	\$ 457,929.50
103	Cash Management	718.7	394,255.00
104	Communication with Interested Parties	454.2	323,312.00
105	U.S. Trustee/Court Reporting Requirements	81.5	44,303.00
106	Business Analysis & Operations	1,656.5	1,395,966.00
107	POR Development	368.0	258,859.50
109	Claims Process	62.0	40,044.50
110	Special Projects	126.1	65,722.50
112	Retention and Engagement Administration	7.6	5,619.50
113	Fee Statements and Fee Applications	113.3	62,148.50
114	Court Hearings	27.7	24,226.00
115	Forensic Analysis	169.9	148,279.00
TOTAL		4,378.9	\$ 3,220,665.00

Average Billing Rate \$735.50

ALIXPARTNERS, LLP

**SUMMARY OF EXPENSES
DURING THE FOURTH INTERIM PERIOD
OCTOBER 1, 2020 THROUGH JANUARY 31, 2021**

Expense Category	Total Expenses During Period
Other	\$ 200.42
Total	\$ 200.42

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

PURDUE PHARMA L.P., *et al.*¹
Debtors.

Chapter 11

Case No. 19-23649 (RDD)

(Jointly Administered)

**ALIXPARTNERS, LLP’S FOURTH INTERIM FEE APPLICATION FOR
THE PERIOD OCTOBER 1, 2020 THROUGH JANUARY 31, 2021
FOR ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND FOR REIMBURSEMENT OF EXPENSES
INCURRED AS FINANCIAL ADVISOR TO THE CHAPTER 11 DEBTORS**

AlixPartners, LLP (“AlixPartners” or the “Firm”), as financial advisor to the Chapter 11 Debtors and its affiliated debtors and debtors-in-possession in these Chapter 11 Cases (collectively, the “Debtors”), hereby submits its application (the “Application”), for (i) interim allowance of compensation for professional services rendered and reimbursement of out of-pocket expenses incurred for the period October 1, 2020 through January 31, 2021 (the “Fourth Interim Period”). In support of this Application, AlixPartners respectfully states as follows.

¹ The Debtors in these cases, along with the last four digits of each Debtor’s registration number in the applicable jurisdiction, are as follows: Purdue Pharma L.P. (7484), Purdue Pharma Inc. (7486), Purdue Transdermal Technologies L.P. (1868), Purdue Pharma Manufacturing L.P. (3821), Purdue Pharmaceuticals L.P. (0034), Imbrium Therapeutics L.P. (8810), Adlon Therapeutics L.P. (6745), Greenfield BioVentures L.P. (6150), Seven Seas Hill Corp. (4591), Ophir Green Corp. (4594), Purdue Pharma of Puerto Rico (3925), Avrio Health L.P. (4140), Purdue Pharmaceutical Products L.P. (3902), Purdue Neuroscience Company (4712), Nayatt Cove Lifescience Inc. (7805), Button Land L.P. (7502), Rhodes Associates L.P. (N/A), Paul Land Inc. (7425), Quidnick Land L.P. (7584), Rhodes Pharmaceuticals L.P. (6166), Rhodes Technologies (7143), UDF LP (0495), SVC Pharma LP (5717) and SVC Pharma Inc. (4014). The Debtors’ corporate headquarters is located at One Stamford Forum, 201 Tresser Boulevard, Stamford, CT 06901.

Jurisdiction and Venue

1. The United States Bankruptcy Court for the Southern District of New York (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

2. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The basis for relief requested herein are Sections 330 and 331 of Title 11 of the United States Bankruptcy Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-1 of the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”), the *Amended Guidelines for Fees and Disbursements for Professionals in the Southern District of New York, updated June 17, 2013* (the “Local Guidelines”) and the *Order Establishing Procedures For Interim Compensation and Reimbursement of Expenses for Retained Professionals*, dated November 21, 2019 (the “Interim Compensation Order”) [Docket No. 529].

Background

4. On September 16, 2019 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York (the “Court”).

5. The Debtors are authorized to continue operating their businesses and managing their properties as debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

6. No trustee or examiner has been appointed in these Chapter 11 Cases.

7. On September 27, 2019, the Office of the United States Trustee for the Southern District of New York (the “UST”) appointed the Official Committee of Unsecured Creditors (the “Committee”) [Docket No. 131].

Retention of AlixPartners

8. On November 5, 2019, the Debtors filed its *Debtors' Application For an Order Authorizing the Debtors to Retain and Employ AlixPartners, LLP as Financial Advisor Nunc Pro Tunc to the Petition Date* [Docket No. 429] (the "Retention Application").

9. On November 21, 2019, the Bankruptcy Court entered the *Order Authorizing the Debtors to Retain and Employ AlixPartners, LLP as Financial Advisor Nunc Pro Tunc to the Petition Date* [Docket No. 528] (the "Retention Order").

10. The Retention Order approved the terms of AlixPartners' fee and expense structure set forth in the Engagement Letter and authorized AlixPartners to be compensated pursuant to the terms of the Engagement Letter and procedures set forth in the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the Administrative Order, and any other applicable orders of this Court.

**AlixPartners' Application for
Compensation and for Reimbursement of Expenses**

Monthly Fee Statements During the Fourth Interim Period

11. AlixPartners's monthly fee statements (the "Monthly Fee Statements") covering the Fourth Interim Period have been filed and served pursuant to the Interim Compensation Order. The Monthly Fee Statements covered by this Application contain detailed daily time logs describing the actual and necessary services provided and expenses incurred by AlixPartners during the periods covered by such statements. Detailed descriptions of the services rendered and expenses incurred during the Fourth Interim Period were included in the Monthly Fee Statements and are attached as **Exhibit A**. A detailed analysis of the out-of-pocket expenses incurred during the Fourth Interim Period were included in the Monthly Fee Statements and are attached as **Exhibit B**.

12. AlixPartners filed Four (4) Monthly Fee Statements as noted below:

Date Filed; Docket No.	Period Covered	Requested		Paid		Amount Outstanding
		Fees	Expenses	Fees	Expenses	
12/04/2020 Docket #2064	10/01/2020- 10/31/2020	\$843,553.00	\$4.89	\$674,842.40	\$4.89	\$168,710.60
01/19/2021 Docket #2296	11/01/2020- 11/30/2020	\$667,910.50	\$3.32	\$534,328.40	\$3.32	\$133,582.10
02/03/2021 Docket #2375	12/01/2020- 12/31/2020	\$873,972.50	\$192.21	\$699,178.00	\$192.21	\$174,794.50
03/12/2021 Docket #2467	01/01/2021 - 01/31/2021	\$835,229.00	\$0.00			\$835,229.00
Total		\$3,220,665.00	\$200.42	\$1,908,348.80	\$200.42	\$1,312,316.20

13. AlixPartners has provided an aggregate of 4,378.9 hours for professional services rendered. AlixPartners is seeking an interim allowance of compensation in the amount of \$3,220,665.00² and reimbursement of actual and necessary out-of-pocket expenses in the amount of \$200.42, for a total allowance of \$3,220,865.42 during the Fourth Interim Period.

14. During the Fourth Interim Period, AlixPartners has received the sum of \$1,908,348.80 for professional services rendered, and the amount of \$200.42 for necessary out of pocket expenses pursuant to the four Monthly Fee Statements. Therefore, the amount of \$1,312,316.20 remains outstanding pursuant to the Fourth Interim Period.

Summary of Professional Services Rendered During the Fourth Interim Period

15. During the course of AlixPartners' prepetition and post-petition engagement, AlixPartners has (i) advised and assisted the Debtors in forecasting, planning, tracking and other aspects of cash management, including but not limited to preparing and delivering liquidity reporting; (ii) assisted the Debtors in collecting the necessary information for its First Day Motions and in responding to related due diligence questions from the various interested parties in the case

² The total fees requested includes the holdback in the amount of \$168,710.60 pursuant to the Fourteenth Monthly Fee Application, the holdback in the amount of \$133,582.10 pursuant to the Fifteenth Monthly Fee Application, the holdback (footnote continued)

post filing; (iii) assisted the Debtors in preparing and filing its Statements of Financial Affairs and Schedules of Assets and Liabilities within 45 days of its bankruptcy filing; (iv) assisted the Debtors' treasury and accounting teams with managing vendor inquiries, reconciliations, and payments; (v) advised the Debtors regarding its go-forward business plan and its options to maximize value for all of its stakeholders; (vi) assisted the Debtors in the successful marketing efforts and sale negotiations with regards to its active pharmaceutical ingredient facility in Coventry, RI; (vii) assisted with developing presentation materials for meetings with various interested parties; (viii) led the coordination and response to the due diligence requests from a myriad of interested parties, including maintaining the data room and ensuring information flow was in accordance with the protective order filed, which was crucial to ensure all constituents received appropriate information while allowing the company's personnel to focus efforts on their day-to-day responsibilities; (ix) assisted management in developing and preparing reports in connection with bankruptcy requirements; (x) prepared comprehensive reports on historical transfers of value to the Debtors' shareholders, both cash and non-cash; (xi) performed significant diligence on the shareholders' international pharmaceutical company holdings in connection with the contemplated settlement structure; and (xii) assisted the Debtors and its other advisors in negotiating and documenting the plan of reorganization and its associated agreements on behalf of them. Additionally, we have had a team of professionals at corporate headquarters in Stamford, Connecticut, as well as onsite at subsidiary locations as needed and when possible, throughout the course of the bankruptcy working alongside management of the Debtors to assist the Debtor in performing certain financial and operational functions.

in the amount of \$174,794.50 pursuant to the Sixteenth Monthly Fee Application, the holdback in the amount of \$167,045.80 pursuant the Seventeenth Monthly Fee Application, for a total holdback in the amount of \$644,133.00.

Professional Services By Category During the Fourth Interim Period

16. AlixPartners classified all services performed for which compensation is sought into separate categories. Summarized below is a description of the services provided by AlixPartners to the Debtors during the Fourth Interim Period in each significant service area.

17. The following summaries are intended only to highlight key services rendered by AlixPartners during the Fourth Interim Period in certain project billing categories where AlixPartners has expended a considerable number of hours on behalf of the Debtors, and are not meant to be a detailed description of all of the work performed by AlixPartners. The primary focus of AlixPartners was centered around the following areas:

Matter Code 101: Chapter 11 Process/Case Management: (593.4 hours)

This category includes many different tasks necessary to comply with the requirements of this Court, the U.S. Trustee, and/or the Bankruptcy Code, including without limitation, organizing and managing the Debtors' resources to effectively and efficiently plan; coordination and management of the chapter 11 process; reviewing and maintaining due diligence trackers and due diligence responses in compliance with the Protective Order; preparing responses to various questions on motions filed with the Court; as well as other miscellaneous tasks not otherwise separately classifiable.

Matter Code 103: Cash Management: (718.7 hours)

This category includes monitoring daily liquidity; assisting the company in planning and tracking cash payments; developing 13 week cash flow forecasts; analyzing actual cash flow performance in comparison to forecast; and assisting the company in determining what prepetition payments can be made based upon payments made to date.

Matter Code 104: Communication with Interested Parties: (454.2 hours)

This category includes preparation of diligence materials for and reports to, and communications with, the Official Committee of Unsecured Creditors, the Ad Hoc Committee of Governmental and Other Contingent Litigation Claimants, their respective advisors, various other ad hoc committees, and other parties-in-interest including attending and participating in meetings.

Matter Code 105: U.S. Trustee / Court Reporting Requirements: (81.5 hours)

This category includes assisting the Debtors with the preparation of financial and operating information required by such parties as the U.S. Trustee and/or the Court, including interim and monthly operating reports and motions, orders and stipulations related thereto.

Matter Code 106: Business Analysis & Operations (1,656.5 hours)

This category includes analyzing monthly financial performance and preparing monthly flash reports; collecting and preparing analysis of the business in response to requests from the advisors to the Unsecured Creditors Committee and the Ad Hoc Committee of Governmental and Other Contingent Litigation Claimants, amongst others; performing analyses and summaries of the Debtors' compensation programs in support of its key employee retention and incentive plan motion; performing due diligence of the shareholders' international pharmaceutical operations in order to evaluate its value within the overall settlement framework; assisting management and the Debtors' other advisors in marketing, negotiating the sale of and transitioning the Debtors' active pharmaceutical ingredient facility in Coventry, RI; assisting management in preparing analyses of the business in response to diligence questions from interested third parties; assisting management in updating its 2021 budget and long term business plan; assisting management in preparing materials to be shared with the Board of Directors; attending Board of Director meetings; analyzing various business issues in order to assist management in making various business decisions; maintaining and reporting significant case financial data, etc.

Matter Code 107: POR Development (368.0 hours)

AlixPartners' services related to this category include, amongst others, preparing a draft liquidation analysis to be included in the Debtors' disclosure statement; preparing a draft financial projections exhibit to be included in the Debtors' disclosure statement; reviewing presentations and reports related to various parties' claim estimates; attending various other meetings and participating in various informational due diligence calls with the Debtors' shareholders and their advisors in advancement of the Debtors' draft settlement discussions.

Matter Code 109: Claims Process (62.0 hours)

AlixPartners' services related to this category include, amongst other, analyzing trade and operational claims filed to date; reviewing the filed claims with Purdue and Davis Polk to determine the appropriate claims process going forward; setting up a preliminary claims database and beginning the process of identifying valid and potentially invalid claims.

Matter Code 110: Special Projects (126.1 hours)

This category includes assisting and advising with respect to various projects related to the case including work done in preparing diligence materials to be provided in accordance with the Protective Order, preparation, tracking and producing diligence documents to a data room created for the sale process for the Debtors' active pharmaceutical ingredient facility in Coventry, RI, as well as other projects identified by the Debtors.

Matter Code 112: Retention and Engagement Administration (7.6 hours)

This category includes the necessary time that AlixPartners' professionals spent managing the retention and relationship disclosure processes. Appropriate staffing levels were utilized to minimize the cost associated with these activities.

Matter Code 113: Fee Statements and Fee Applications (113.3 hours)

This category includes time billed under this category was for the necessary time that AlixPartners professionals spent managing the fee application processes. Appropriate staffing levels were utilized to minimize the cost associated with these activities.

Matter Code 114: Court Hearing (27.7 hours)

This category includes necessary time that AlixPartners' professionals spent attending Court hearings telephonically.

Matter Code 115: Forensic Analysis (169.9 hours)

This category include, amongst others, the analysis of all cash distributions to the Debtors' shareholders, the analysis of other forms of cash payments to the Debtors' shareholders, the identification of non-cash transfers of value to the Debtors' shareholders through transactions with the Debtors' shareholders' other domestic and international business interests, preparation of reports to and participation in meetings with the Special Committee of the Debtors' Board of Directors and response to outstanding diligence requests from the advisors to the Official Committee of Unsecured Creditors, the Ad Hoc Committee of Governmental and other Contingent Litigation Claimants and others.

18. AlixPartners has not entered into any agreement, express or implied, with any other party for the purpose of fixing or sharing fees or other compensation to be paid for professional services rendered in these cases. No promises have been received by AlixPartners or any member thereof as to compensation in connection with these Chapter 11 Cases other than in accordance with the provisions of the Bankruptcy Code.

Certification

19. A Certification of Lisa Donahue is attached hereto as **Exhibit C** and made part of this Application.

Conclusion

WHEREFORE, AlixPartners, as Financial Advisor to the Debtors, respectfully requests that the Court enter an order providing that: (i) an interim allowance be awarded to AlixPartners for the Fourth Interim Period in the amount of \$3,220,665.00 (including the holdback of \$644,133.00) as compensation for necessary professional services rendered, and reimbursement for actual and necessary expenses incurred in the amount of \$200.42, for a total amount of \$3,220,865.42; (ii) the Debtors be authorized and directed to pay AlixPartners the outstanding amount of \$1,312,316.20 and (iii) for such other and further relief as this Court deems proper.

Dated: March 17, 2021

ALIXPARTNERS, LLP
909 Third Avenue, 30th Floor
New York, New York 10022

/s/ Lisa Donahue

By: Lisa Donahue
Managing Director